



MONTANA
ADMINISTRATIVE
REGISTER



DEPARTMENT OF LABOR AND INDUSTRY

NOTICE OF PROPOSED RULEMAKING

MAR NOTICE NO. 2025-22.1

Summary

Rule changes due to 2023 and 2025 legislation.

Hearing Date and Time

[hearing_date], at [hearing_time] [hearing_ampm]

Virtual Hearing Information

A public hearing will be held via remote conferencing to consider the proposed changes to the above-stated rules. There will be no in-person hearing. Interested parties may access the remote conferencing platform in the following ways:

Comments

Concerned persons may present their data, views, or arguments at the hearing. Written data, views, or arguments may also be submitted at dli.mt.gov/rules or P.O. Box 1728; Helena, Montana 59624. Comments must be received by [comment_date], at 5:00 p.m.

Accommodations

The agency will make reasonable accommodations for persons with disabilities who wish to participate in this rulemaking process or need an alternative accessible format of this notice. Requests must be made by [accommodations_deadline], at 5:00 p.m.

Contact

Department of Labor and Industry
(406) 444- 5466
laborlegal@mt.gov

Rulemaking Actions

AMEND

The rules proposed to be amended are as follows, stricken matter interlined, new matter underlined:

24.182.301 DEFINITIONS

- (1) "Employed" as used in 37-60-101, MCA, means a person who works for another for hire and includes an independent contractor under 39-71-417, MCA.
- ~~(1)~~ (2) "POST" means the Montana Public Safety Officer Standards and Training Council.
- (3) "Private security firm" regarding the requirement for a firm license in 37-60-301, MCA, does not include a security guard who is a sole proprietor or other business entity with the owner/operator as the sole employee.
- ~~(2)~~ (4) "Provisional permit" means the "probationary identification card" used in 37-60-202, MCA, and may also be referred to as a "training permit."
- ~~(3)~~ (5) "Retail merchant" as used in 37-60-105, MCA, means a person who operates a store and sells goods to individuals solely for their own use.
- ~~(4)~~ (6) "Weapon" as used in 37-60-405, MCA, means TASER devices, OC (pepper) sprays manufactured for security industry use, and collapsible batons, each of which security personnel receive training before using on duty. The term does not include firearms.

Authorizing statute(s): 37-60-202, MCA

Implementing statute(s): 37-60-101, 37-60-105, 37-60-202, 37-60-303, 37-60-405, MCA

Reasonable Necessity Statement

The 2025 Montana Legislature passed Senate Bill 198, a bill generally revising occupational laws related to private security. The bill amended the definition of private security guard to no longer require employment specifically by private security firms, but still requiring private security guards to be employed. It is reasonably necessary to add a definition of “employed” to clarify that private security guards may be employed by licensed security firms, other employers, or themselves as independent contractors or sole practitioners under Montana law. The bill became effective July 1, 2025.

24.182.401 FEE SCHEDULE

- (1) License application fees are as follows:
 - (a) ~~Private security firm or electronic security firm~~ All license types ~~\$250~~ \$80
 - ~~(b) Security guard or security alarm installer 100~~
 - ~~(c) Private investigator 250~~
 - ~~(d) Private investigator trainee 150~~
 - ~~(e) Process server 100~~
 - ~~(f) Private security firearms instructor 150~~
 - ~~(g)~~ (b) Armed endorsement for security guard and private investigator 50
- (2) License renewal fees are as follows:
 - (a) ~~Private security firm or electronic security firm~~ All license types ~~200~~ \$80
 - ~~(b) Security guard or security alarm installer 100~~
 - ~~(c) Private investigator 175~~
 - ~~(d) Private investigator trainee 100~~
 - ~~(e) Registered process server 100~~
 - ~~(f) Private security firearms instructor 125~~
 - ~~(g)~~ (b) Armed endorsement for security guard and private investigator 50
- ~~(3) Examination fees are as follows:~~
 - ~~(a) Registered process server 25~~
 - ~~(b) Private investigator 20~~

Authorizing statute(s): 37-1-134, 37-60-202, MCA

Implementing statute(s): 25-1-1104, 37-1-134, 37-1-141, 37-60-202, 37-60-304, MCA

Reasonable Necessity Statement

It is reasonably necessary to make the proposed fee changes to comply with the provisions of 37-1-134, MCA, and keep the program's fees commensurate with program costs. The department has determined that unless the fees are reduced as proposed, the program will have a overage of operating funds in violation of 37-1-134, MCA, by the end of Fiscal Year 2026. The department is combining the examination fees with the relevant application fees as this is the standard practice in the department.

24.182.403 PHOTO IDENTIFICATION CARD

- (1) ~~Effective July 1, 2024, each private security firm and electronic security firm must, for each security guard or alarm installer they employ~~ All licensed security guards, alarm installers, private investigators, and trainees under a private investigator's supervision must:
 - (a) ~~provide wear~~ a laminated photograph identification card using that complies with the design specifications in (2) (3);
 - (b) ~~update the card photograph when the photograph does not~~ needed to clearly and accurately represent the licensee's current appearance of the individual; and
 - (c) ~~require the individual to wear or carry the card while performing services and show it upon request; and~~ .
 - (d) ~~collect the card when the employment relationship ends.~~
- (2) Private and electronic security firms must:
 - (a) provide identification cards for the security guards and alarm installers they employ;
 - (b) ensure the cards are worn or carried by the licensees while performing services and shown upon request; and
 - (c) collect the card when the employment relationship ends.
- ~~(2)~~ (3) Each card must be the size of a standard credit card laminated or made with durable materials and contain the following on the front of the card:
 - (a) a clear, recent photograph of the individual displayed prominently on the card;

- (b) the first and last name of the individual;
 - (c) the individual's license type;
 - (d) the name of the firm;
 - (e) the supervising private investigator if applicable;
 - (f) the individual's license number preceded by the words "the Department of Labor and Industry License Number";
 - (g) the card issuance date; and
 - (h) the QR code from the department-issued license.
- ~~(3) Each private investigator and any trainee under the private investigator's supervision must carry a photographic identification card described in (2).~~

Authorizing statute(s): 37-60-202, MCA

Implementing statute(s): 37-60-101, 37-60-407, MCA

Reasonable Necessity Statement

It is reasonably necessary to amend this rule to remove a past effective date and align with Senate Bill 198 which no longer requires security guards to be employed by licensed private security firms. The amendments differentiate identification cards duties of private security firms who employ guards from guards not employed by private security firms.

24.182.405 INSURANCE AND SURETY BOND REQUIREMENTS

- (1) The following licenses must carry insurance in the following amounts and types:
 - (a) Private investigators - a minimum of \$500,000 occurrence form of commercial general liability which includes personal injury.
 - (b) Electronic security companies - a minimum of \$500,000 occurrence form of commercial general liability which includes personal injury and errors and omissions coverage.
 - (c) Private security firms - a minimum of \$500,000 occurrence form of commercial general liability which includes personal injury.

- (d) Private security firearms instructors - a minimum of \$500,000 occurrence form of commercial general liability which includes personal injury and errors and omissions coverage.
- (e) Private security guards – a minimum of \$500,000 occurrence form of commercial general liability which includes personal injury, if not employed by a private security firm that provides the insurance per (1)(c) above.
- (2) Process servers must maintain a surety bond in the amount of \$10,000 for an individual or \$100,000 for a firm. A levying officer may not levy on a judgment that exceeds the value of the bond.
- (3) The following licensees must carry firearms liability insurance coverage:
 - (a) armed private investigators;
 - (b) private security firearms instructors; ~~and~~
 - (c) armed private security guards not employed by private security firms; and
 - (c) private security firms who employ armed private security guards.
- (4) An insurance carrier providing insurance under this rule must be:
 - (a) licensed in the state in which the insurance was purchased and covered by that state's insolvency fund; or
 - (b) licensed in the state of Montana.
- (5) Licensee subject to this rule must:
 - (a) immediately inform the department of the cancellation or lapse of required insurance coverage or surety bond; and
 - (b) direct and authorize the insurance carrier to inform the department of cancellation or lapse of the licensee's required coverage or surety bond.
- (6) Licensees must maintain the insurance coverage or surety bond required by this rule at all times of active licensure status.

Authorizing statute(s): 37-60-202, MCA

Implementing statute(s): 25-1-1111, 37-60-202, MCA

Reasonable Necessity Statement

The 2025 Montana Legislature passed Senate Bill 198, a bill generally revising occupational laws related to private security. The bill amended the definition of private security guard to no longer require employment specifically by private security firms. It is reasonably necessary to amend this rule to specify the insurance required for security guards who are not employed by private security firms. Insurance is required per 37-60-202(3), MCA, for all program licensees except process servers. The bill became effective July 1, 2025.

24.182.407 PRIVATE SECURITY GUARD UNIFORM AND PROPERTY BRANDING

- (1) ~~Effective July 1, 2024, a private security firm must provide and require a All private security guard to~~ guards must wear a uniform that complies with this rule while on duty.
- (2) Private security firms must provide uniforms to all employed guards.
- ~~(2)~~ (3) Security guard uniforms must:
 - (a) clearly display in block letters in a color and reflective material that contrasts with the fabric color, the words "security," "security officer," or "security guard" across the front of any cap and across the back of any shirt, vest, or overcoat to be visible at night, in low light, and at a reasonable distance; and
 - (b) clearly display the employer's company name in full and the words "security guard" above the left chest pocket area on the front of any shirt, vest, or overcoat on a patch no less than one inch by three inches.
- ~~(3)~~ (4) Security vehicles must have "security" clearly displayed on each side of the vehicle.
- ~~(4)~~ (5) Uniforms, vehicles, and equipment must not display any accessory, emblem, insignia, patch, seal, or term that is like any used by any foreign, tribal, federal, state, or local law enforcement agency.

Authorizing statute(s): 37-60-407, MCA

Implementing statute(s): 37-60-407, MCA

Reasonable Necessity Statement

It is reasonably necessary to amend this rule to remove a past effective date and align with Senate Bill 198 which no longer requires security guards to be employed by licensed private security firms. The amendments differentiate uniform and property branding duties of private security firms who employ guards from guards not employed by private security firms.

24.182.507 PROVISIONAL PERMIT – PRIVATE INVESTIGATOR TRAINEES

- (1) An applicant for a private investigator license who does not meet the experience or examination requirements may apply for a provisional permit and work as a trainee under ARM ~~24.182.511~~ 24.182.512 and 24.182.804.
- (2) A provisional permit under this rule is subject to annual renewal and is valid until the applicant is issued a license, or until the applicant:
 - (a) fails the first examination for which the applicant is eligible after the department issues the permit; or
 - (b) exceeds the time limit to complete the work experience.

Authorizing statute(s): 37-60-202, MCA

Implementing statute(s): 37-60-202, MCA

Reasonable Necessity Statement

It is reasonably necessary to correct an erroneous cross-reference in this rule. In a 2023 rulemaking, ARM 24.182.511 was repealed and its contents relocated to ARM 24.182.512 and 24.182.804.

24.182.514 PRIVATE SECURITY GUARD

- (1) In addition to the requirements of 37-60-303, MCA, each security guard applicant must have verification of:
 - (a) successful completion of the training program required by ARM 24.182.807; and
 - (b) employment by a private security firm or other employer per ARM 24.182.301.
- (2) The verifications in (1) are not required to be submitted until after the fingerprint background check is successfully completed but are required as a final condition for the department to issue a license.

Authorizing statute(s): 2-4-201, 37-60-202, 37-60-303, MCA

Implementing statute(s): 37-60-101, 37-60-202, 37-60-303, 37-60-304, MCA

Reasonable Necessity Statement

The department is amending this rule to align with provisions in Senate Bill 189 that allow private security guards to be employed by private security firms or other employers as designated in ARM 24.182.301.

24.182.807 PRIVATE SECURITY GUARD TRAINING PROGRAM

- (1) ~~Each private security firm that employs or intends to employ an individual as a private security guard must certify, as~~ As a condition for the department to issue the issuance of a private security guard license, that the individual has applicants must successfully completed complete a minimum of 16 hours of training as follows and before practicing as a security guard:
 - (a) role and function of the security guard;
 - (b) federal, state, and local statutes and rules applicable to the practice of private security guards;
 - (c) interaction and cooperation with law enforcement;
 - (d) limitations on the use of force and self-defense and the use-of-force continuum;
 - (e) emergency procedures and hazardous material preparedness;
 - (f) communication skills, report writing, and radio communication;
 - (g) crisis intervention and crowd control;
 - (h) patrol techniques; and
 - (i) ethical and legal issues, including, but not limited to:
 - (i) confidentiality and right of privacy;
 - (ii) searches of persons and property;
 - (iii) limitations on the power to arrest and detain suspects;
 - (iv) treatment of juveniles, persons with physical or mental disabilities, and other special classes (e.g., racial, religious, or cultural);
 - (v) preservation of crime scene and handling of evidence;

- (vi) weapons or equipment other than firearms to be carried; and
- (vii) preventing abuse of authority.

(2) Completion of the required training must be certified by:

(a) private security firms employing or intending to employ private security guards;
or

(b) individual private security guards when employer is other than a private security firm.

~~(2)~~ (3) Training on policies, systems, and procedures internal to the employer may not be included within the total hours of training required by this rule.

Authorizing statute(s): 37-60-202, 37-60-303, MCA

Implementing statute(s): 37-60-202, 37-60-303, MCA

Reasonable Necessity Statement

The department is amending this rule to align with provisions in Senate Bill 189 that allow private security guards to be employed by private security firms or other employers as designated in ARM 24.182.301.

24.182.2301 UNPROFESSIONAL CONDUCT

In addition to ~~37-1-316~~ 37-1-410, MCA and provisions in Title 37, chapter 60, MCA and these rules, the following is unprofessional conduct:

- (1) Becoming involved in investigations on behalf of a client with intent to break the law or to use the information unlawfully;
- ~~(2) Committing any act of sexual abuse, sexual misconduct, or sexual exploitation regardless of whether the act is related to the licensee's practice;~~
- ~~(3) Violating the Montana Human Rights Act, Title 49, MCA, as determined by the Montana Human Rights Commission;~~
- ~~(4) Performing services outside of the licensee's area of training, expertise, competence or scope of practice or licensure;~~
- ~~(5)~~ (2) Using the professional position of trust for illegal gains;

- ~~{6}~~ (3) Accepting investigations which conflict with previous or current investigations if the investigations are substantially related;
- ~~{7}~~ (4) Failing to provide a client with an accurate and factual report within a time frame specified by mutual agreement;
- ~~{8}~~ (5) Expressly or impliedly representing oneself as a member of law enforcement by conduct, dress, advertisement or other representation;
- ~~{9}~~ Filing a complaint with, or providing information to the department, which the licensee reasonably knows or ought to know is false or misleading;
- ~~{10}~~ Violating any local, state, federal, provincial, or tribal law or rule governing or affecting the practice of any licensee;
- ~~{11}~~ (6) Accepting an assignment from a client that is directly adverse to a present client or former client or if there is a significant risk that the assignment will materially limit the licensee's responsibilities to a present or former client;
- ~~{12}~~ (7) Failing to supervise, manage, train, or control auxiliary staff or other persons, including licensees, practicing under the licensee's supervision or control;
- ~~{13}~~ (8) Discontinuing professional services unless:
 - (a) services have been completed,
 - (b) the client requests the discontinuation,
 - (c) alternative or replacement services are arranged, or
 - (d) the client is given reasonable opportunity to arrange alternative or replacement services;
- ~~{14}~~ Failing to report an incident of unsafe practice or unethical conduct of another licensee to the licensing authority;
- ~~{15}~~ (9) Failing to account for funds received in connection with any services rendered or to be rendered;
- ~~{16}~~ (10) Failing to put in trust or otherwise properly segregate funds in connection with a specific project for a specific purpose;
- ~~{17}~~ (11) Failing to show proof of licensure upon request of any member of the public or law enforcement agency; and
- ~~{18}~~ Failing to respond to or cooperate with a department request or inquiry;

Authorizing statute(s): 37-60-202, MCA

Implementing statute(s): ~~37-1-316~~, 37-1-410, 37-60-202, 37-60-401, MCA

Reasonable Necessity Statement

It is reasonably necessary to correct an erroneous citation in this rule's text and its implemented statutes. In 2023, Senate Bill 454 ended the Board of Private Security and shifted its regulatory authority to a licensing program within the Department of Labor and Industry (department). The department amended most of the relevant administrative rules in 2023, but missed correcting the citations to 37-1-410, MCA, unprofessional conduct for department programs.

The 2025 Montana Legislature passed House Bill 435, amending and standardizing unprofessional conduct for professional and occupational licensing boards and programs. The bill's changes will be effective October 1, 2025. The department is striking (2), (3), (9), (10), (14), and (18), as they unnecessarily duplicate the amended unprofessional conduct provisions for program licensees in 37-1-410, MCA.

It is reasonably necessary to delete (4) as the conduct is included in generally accepted standards of practice in 37-1-410, MCA.

Fiscal Impact

Small Business Impact

Senate bill 198 (2025) amended the law so that a license is only required for electronic security firms that sell, install, service, or maintain electronic security systems that automatically communicate to a public safety agency or public safety answering point. This may reduce the number of electronic security firms that need licenses and could reduce operating expenses for firms no longer requiring licensure and are small businesses.

Senate bill 198 also removed the requirement for private security guards to work specifically for private security firms, but kept the requirement that the guards are employed by someone. To the extent that private security guards may be employed by small businesses in Montana that are not private security firms, and the employer provides the required insurance, IDs, and uniforms to the employed security guards, there may be some impact to operating expenses of that employer.

The department has determined that the proposed rule changes will not create a significant and direct impact on small businesses. Documentation of the small business impact analysis is available upon request.

The department estimates that all fee changes will affect approximately 2932 new applicants and renewing licensees and result in a \$109,850 reduction in annual revenue.

Bill Sponsor Notification

The primary sponsor of Senate Bill 198 (2025) was contacted by email April 28, 2025. The primary sponsor of House Bill 435 (2025) was contacted by email May 14, 2025.

Interested Persons

The agency maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by the agency. Persons wishing to have their name added to the list may sign up at dli.mt.gov/rules or by sending a letter to P.O. Box 1728, Helena, Montana 59624 and indicating the program or programs about which they wish to receive notices.

Rule Reviewer

Approval

Sarah Swanson, Commissioner